FMC CORPORATION AND CONSOLIDATED SUBSIDIARIES
RECONCILIATION OF NET INCOME (GAAP) TO AFTER-TAX INCOME FROM CONTINUING OPERATIONS, EXCLUDING RESTRUCTURING AND OTHER INCOME AND CHARGES (NON-GAAP)
(Unaudited, in millions, except per share amounts)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2006	2005	2006	2005
Net income (GAAP)	$ 12.9	$ 25.3	$ 132.0	$ 116.6
Discontinued operations, net of income taxes (a)	19.7	19.4	12.8	(6.1)
Restructuring and other charges (b)	7.2	15.5	74.8	39.8
In-process research and development (c)	-	-	2.0	-
Loss on extinguishment of debt (d)	-	2.1	-	60.5
Investment gains (e)	-	(57.7)	-	(67.0)
Cumulative effect of change in accounting principle, net of taxes (f)	-	0.5	-	0.5
Tax effect of restructuring and other charges, in-process research and development, loss on extinguishment of debt and investment gains	(2.4)	31.9	(17.7)	5.9
Tax adjustments (g)	11.1	5.7	12.5	21.7
After-tax income from continuing operations, excluding restructuring and other income and charges (Non-GAAP)	**$ 48.5**	**$ 42.7**	**$ 216.4**	**$ 171.9**
Diluted earnings per common share (GAAP)	$ 0.33	$ 0.64	$ 3.34	$ 2.97
Discontinued operations per diluted share	0.50	0.49	0.33	(0.15)
Restructuring and other charges per diluted share, before tax	0.18	0.39	1.89	1.02
In-process research and development per diluted share, before tax	-	-	0.05	-
Loss on extinguishment of debt per diluted share, before tax	-	0.05	-	1.54
Investment gains per diluted share, before tax	-	(1.45)	-	(1.70)
Cumulative effect of change in accounting principle, net of taxes	-	0.01	-	0.01
Tax effect of restructuring and other charges, in-process research and development, loss on extinguishment of debt and investment gains per diluted share	(0.06)	0.81	(0.45)	0.15
Tax adjustments per diluted share	0.29	0.14	0.32	0.55
Diluted after-tax income from continuing operations per share, excluding restructuring and other income and charges (Non-GAAP)	**$ 1.24**	**$ 1.08**	**$ 5.48**	**$ 4.39**
Average number of shares used in diluted after-tax income from continuing operations per share computations	39.1	39.6	39.5	39.2

(a) Discontinued operations for the three months ended December, 2006 and 2005 primarily includes a provision for environmental liabilities and legal reserves related to previously discontinued operations. Discontinued operations for the twelve months ended December 31, 2006 and 2005 primarily includes gains from land sales located in San Jose, California to the City of San Jose of $14.0 and $29.2 million, respectively, offset by a provision for environmental liabilities and legal reserves related to previously discontinued operations.

(b) Restructuring and other charges for the three months ended December 31, 2006 primarily includes environmental reserve adjustments for our continuing environmental sites ($4.5 million), and severance costs in our Specialty Chemicals segment due to a workforce restructuring ($1.3 million). For the twelve months ended December 31, 2006 restructuring and other charges primarily include charges related to the settlement of an antitrust class action involving our microcrystalline cellulose product in our Specialty Chemicals segment ($25.7 million), abandonment of a building at one of our manufacturing locations in our Agricultural Products segment ($6.0 million), asset abandonment and severance charges related to workforce reductions at our Princeton, New Jersey R&D facility ($5.3 million), and a charge of €25 million (US$30 million) related to a fine imposed on us by the European Commission as a result of alleged violations of competition law in the hydrogen peroxide business in Europe prior to 2000 and the environmental reserve adjustments noted above. This fine is associated with our Industrial Chemicals segment. We have appealed the decision of the European Commission.

Restructuring and other charges for the three months ended December 31, 2005 primarily includes impairment and shutdown charges of $7.5 million on our Spring Hill, West Virginia peroxygen plant and charges of $6.1 million related to our abandoned Pocatello facility. Restructuring and other charges for the twelve months ended December 31, 2005 primarily includes charges of $17.1 million related to the closure of our Copenhagen, Denmark carrageenan plant and Bezons, France blending facility and charges of approximately $7.3 million related to asset abandonments in our Agricultural Products segment as well as the amounts related to Spring Hill and Pocatello noted above. Restructuring and other charges also include our share of charges recorded by Astaris, LLC, the phosphorous joint venture. Our share of such charges are included in "Equity in (earnings) loss of affiliates" and were $0.6 million gain, before tax, for the year ended December 31, 2005. Income for the year ended December 31, 2005 represents adjustments to liabilities related to restructuring and other charges recorded by Astaris prior to the sale of substantially all of its assets.

(c) In the second quarter of 2006, our Agricultural Products segment entered into development agreements with a third-party company, whereby we were given the right to further develop one of such party's products in certain geographic markets. Under the agreements, we paid $2 million and have recorded this amount as a charge to "In-process research and development".

(d) Fourth quarter of 2005 amount represents loss on the early extinguishment of our previous Industrial Revenue Bonds which were refinanced during the period. The twelve months ended December 31, 2005 includes the fourth quarter 2005 loss noted above and the losses related to the 2005 credit agreement which replaced the 2004 credit agreement and the redemption of our 10.25% senior notes. We incurred a $56.6 million loss on debt extinguishment in connection with the redemption of the 10.25% senior notes.

(e) Investment gains for the three months ended December 31, 2005 includes our share of the gain recorded by Astaris in connection with the sale of substantially all of its assets. Our share of this gain is included within "Equity in (earnings) loss of affiliates" and was $57.7 million for the three months ended December 31, 2005. In addition to the Astaris investment gain, the twelve months ended December 31, 2005 includes a gain of $9.3 million on sale of one of our equity method investments.

(f) Represents charges associated with our adoption of FASB interpretation No. 47 "Accounting for Conditional Asset Retirement Obligations".

(g) Tax adjustments for the three and twelve months ended December 31, 2006 and 2005 represent net charges associated with the following. Tax adjustments for the three and twelve months ended December 31, 2006 primarily represents charges associated with adjustments to deferred income tax liabilities. Fourth quarter of 2005 tax adjustments primarily includes charges of $6.2 million associated with the repatriation of approximately $300 million under the American Jobs Creation Act (AJCA). The total repatriation for 2005 under the AJCA was approximately $480 million. For the twelve months ended December 31, 2005, tax adjustments primarily include the items described above as well as additional charges of $25.7 million associated with repatriations, net tax benefits of $19.2 million related to agreement on certain prior year audit issues previously reserved and charges of $9.5 million associated with adjustments to deferred tax liabilities.